

UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF MICHIGAN

TRANSMITTAL OF FINANCIAL REPORTS AND
CERTIFICATION OF COMPLIANCE WITH
UNITED STATES TRUSTEE OPERATING REQUIREMENTS FOR

THE PERIOD ENDED: FEBRUARY 29, 2024

In re:

Case Number: 23-49817-mar

RESIDENTS FIRST, LLC,

Chapter 11

Debtor.

Hon. Mark A. Randon

As debtor in possession, I affirm:

1. That I have reviewed the financial statements attached hereto, consisting of:

<input type="checkbox"/> Operating Statement	(Form 2)
<input type="checkbox"/> Balance Sheet	(Form 3)
<input type="checkbox"/> Summary of Operations	(Form 4)
<input type="checkbox"/> Monthly Cash Statement	(Form 5)
<input type="checkbox"/> Statement of Compensation	(Form 6)
<input type="checkbox"/> Schedule of In-Force Insurance	(Form 7)

and that they have been prepared in accordance with normal and customary accounting practices, and fairly and accurately reflect the debtor's financial activity for the period stated;

2. That the insurance, including workers' compensation and unemployment insurance, as described in Section 5 of the Operating Instructions and Reporting Requirements For Chapter 11 Cases is in effect; and, (If not, attach a written explanation) YES ☒ NO ☐
3. That all post-petition taxes as described in Sections 9 of the Operating Instructions and Reporting Requirements For Chapter 11 cases are current. (If not, attach a written explanation) YES ☒ NO ☐
4. No professional fees (attorney, accountant, etc.) have been paid without specific court authorization. (If not, attach a written explanation) YES ☒ NO ☐
5. All United States Trustee Quarterly fees have been paid and are current. YES ☐ NO ☒
6. Have you filed your pre-petition tax returns. (If not, attach a written explanation) YES ☐ NO ☒

I hereby certify, under penalty of perjury, that the information provided above and in the attached documents is true and correct to the best of my information and belief.

Dated: 03-19-24

Debtor in Possession

MANAGING MEMBER

Title

Phone

(248) 352-9900

Form 1

Profit & Loss

Property: Residents First, LLC
02/01/24 - 02/29/24 (accrual basis)

	Amount
INCOME	
4900.00 Community Reimbursements	34,897.21
4999.00 Asset & Mgmt Fees	61,169.48
TOTAL INCOME	96,066.69
EXPENSE	
6100.00 Management & Personnel	50,218.80
6200.00 On-Site Personnel	28,625.50
7300.00 Professional Fees	8,038.75
7500.00 Travel & Entertainment	2,005.03
7600.00 Vehicle Expense	2,302.31
7700.00 Information Technology Exp	1,196.00
7900.00 General & Administrative	854.60
TOTAL EXPENSE	93,240.99
CONTROLLABLE NOI	2,825.70
NON CONTROLLABLE EXPENSE	
8000.00 Mortgages & Debt Interest	497.00
8100.00 Utilities	1,228.09
8300.00 Insurance	205.16
TOTAL NON CONTROLLABLE EXPENSE	1,930.25
NOI	895.45
NON OPERATING EXPENSE	
8900.00 Amortization & Depreciation	145.34
TOTAL NON OPERATING EXPENSE	145.34
NET INCOME	750.11

NET INCOME SUMMARY

Income	96,066.69
Expense	-93,240.99
Controllable NOI	2,825.70
Non Controllable Expense	-1,930.25
Net Operating Income	895.45
Non Operating Expense	-145.34
NET INCOME	750.11

OPERATING STATEMENT (P&L)

Period Ending: _____

Case No: 23-49817-mar

	Current Month	Total Since Filing
Total Revenue/Sales	_____	_____
Cost of Sales	_____	_____
GROSS PROFIT	_____	_____
EXPENSES:		
Officer Compensation	_____	_____
Salary Expenses other Employees	_____	_____
Employee Benefits & Pensions	_____	_____
Payroll Taxes	_____	_____
Other Taxes	_____	_____
Rent and Lease Expense	_____	_____
Interest Expense	_____	_____
Insurance	_____	_____
Automobile and Truck Expense	_____	_____
Utilities (gas, electric, phone)	_____	_____
Depreciation	_____	_____
Travel and Entertainment	_____	_____
Repairs and Maintenance	_____	_____
Advertising	_____	_____
Supplies, Office Expense, etc.	_____	_____
Other Specify	_____	_____
Other Specify	_____	_____
TOTAL EXPENSES:	_____	_____
NET OPERATING PROFIT/(LOSS)	_____	_____
Add: Non-Operating Income:		
Interest Income	_____	_____
Other Income	_____	_____
Less: Non-Operating Expenses:		
Professional Fees	_____	_____
Other	_____	_____
NET INCOME/(LOSS)	_____	_____

Form 2

Balance Sheet

Property: Residents First, LLC

As of 02/29/24 (accrual basis)

ASSETS

Bank	
1050.00 ML-Residents First - 2081	976.18
1070.00 CSB - Residents First General Account	556.04
1071.00 CSB - Residents First Tax Account	100.00
Total Bank	1,632.22
Accounts Receivable	
1100.00 Accounts Receivable	47,065.53
Total Accounts Receivable	47,065.53
Other Current Asset	
1300.00 Prepaid Expenses	27,413.25
Total Other Current Asset	27,413.25
Fixed Asset	
1500.00 Land, Buildings, Improve & Equip	89,330.84
1600.00 Accumulated Depr & Amort	-28,574.86
1700.00 Construction/Development in Progress	0.00
Total Fixed Asset	60,755.98
Other Asset	
1800.00 Notes Receivable	581,063.31
Total Other Asset	581,063.31
TOTAL ASSETS	717,930.29

LIABILITIES & EQUITY

Liabilities

Accounts Payable	
2000.00 Accounts Payable	514,617.83
Total Accounts Payable	514,617.83
Credit Card	
2010.00 Credit Card 9172 (Capital One - Residents First)	51,418.94
2022.04 Credit Card TIR Capital 0154 (CSB)	4,964.25
Total Credit Card	56,383.19
Long Term Liability	
2950.00 Loans & Notes Payables	586,243.42
Total Long Term Liability	586,243.42
Total Liabilities	1,157,244.44

Equity

3000.00 Net Income	288.81
3001.00 Retained Earnings	-261,080.24
3010.00 Owner Distribution	-945,174.17
3020.00 Owner Contribution	766,651.45
Total Equity	-439,314.15

TOTAL LIABILITIES & EQUITY

717,930.29

BALANCE SHEET

Period Ending: _____

Case No: 23-49817-mar

	<u>Current Month</u>	<u>Prior Month</u>	<u>At Filing</u>
ASSETS:			
Cash:			
Inventory:			
Accounts Receivables:			
Insider Receivables			
Land and Buildings:			
Furniture, Fixtures & Equip:			
Accumulated Depreciation:			
Other:			
Other:			
TOTAL ASSETS:			
LIABILITIES:			
Post-petition Liabilities:			
Accounts Payable:			
Rent and Lease Payable:			
Wages and Salaries:			
Taxes Payable:			
Other:			
TOTAL Post-petition Liabilities			
Secured Liabilities:			
Subject to Post-petition			
Collateral or Financing Order			
All Other Secured Liabilities			
TOTAL Secured Liabilities			
Pre-petition Liabilities:			
Taxes & Other Priority Liabilities			
Unsecured Liabilities:			
Other:			
TOTAL Pre-petition Liabilities			
Equity:			
Owners Capital:			
Retained Earnings-Pre Petition.			
Retained Earnings-Post Petition.			
TOTAL Equity:			
TOTAL LIABILITIES			
/AND EQUITY			

Form 3

SUMMARY OF OPERATIONS

Period Ended: FEBRUARY 29, 2024

Case No: 23-49817-mar

Schedule of Post-Petition Taxes Payable

	Beginning Balance	Accrued/ Withheld	Payments/Deposits	Ending Balance
Income Taxes Withheld:				
Federal:	<u>0</u>	<u>4,192.73</u>	<u>4,192.73</u>	<u>0</u>
State:	<u>0</u>	<u>1,848.93</u>	<u>1,848.93</u>	<u>0</u>
Local:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FICA Withheld:	<u>0</u>	<u>4,792.97</u>	<u>4,792.97</u>	<u>0</u>
Employers FICA:	<u>0</u>	<u>4,797.02</u>	<u>4,797.02</u>	<u>0</u>
Unemployment Tax:				
Federal:	<u>0</u>	<u>144.40</u>	<u>144.40</u>	<u>0</u>
State:	<u>0</u>	<u>1,149.23</u>	<u>1,149.23</u>	<u>0</u>
Sales, Use & Excise Taxes:				
Property Taxes:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Workers' Compensation	<u>1,002.00</u>	<u>0</u>	<u>501.00</u>	<u>501.00</u>
Other:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTALS:	<u>1,002.00</u>	<u>16,999.28</u>	<u>17,430.28</u>	<u>501.00</u>

AGING OF ACCOUNTS RECEIVABLE AND POST-PETITION ACCOUNTS PAYABLE

Age in Days Post Petition	0-30	30-60	Over 60
Accounts Payable	<u>5,312.31</u>	<u>17,399.39</u>	<u>491,939.94</u>
Accounts Receivable	<u>0</u>	<u>0</u>	<u>0</u>

For all post-petition accounts payable over 30 days old, please attach a sheet listing each such account, to whom the account is owed, the date the account was opened, and the reason for non-payment of the account.

Describe events or factors occurring during this reporting period materially affecting operations and formulation of a Plan of Reorganization:

Form 4

MONTHLY CASH STATEMENT

Period Ending: FEBRUARY 29, 2021

Cash Activity Analysis (Cash Basis Only):

Case No: 23-49817-mar

	General Acct.	GENERAL Payroll Acct.	Tax Acct.	Cash Coll. Acct.	Petty Cash Acct.
A. Beginning Balance	<u>609.35</u>	<u>100.00</u>	<u>100.00</u>		
B. Receipts (Attach separate schedule)	<u>1,332.28</u>	<u>89,323.28</u>	<u>0</u>		
C. Balance Available (A + B)	<u>1,941.63</u>	<u>89,423.28</u>	<u>100.00</u>		
D. Less Disbursements (Attach separate schedule)	<u>1,941.63</u>	<u>87,879.14</u>	<u>0</u>		
E. ENDING BALANCE (C - D)	<u>0</u>	<u>1,544.14</u>	<u>100.00</u>		

ATTENTION: Please enter the TOTAL DISBURSEMENT from all your accounts, including cash and excluding transfers, onto the line below. This is the number that will determine your quarterly fee payment. \$ 81,841.11

(PLEASE ATTACH COPIES OF MOST RECENT RECONCILED BANK STATEMENTS FROM EACH ACCOUNT)

General Account:

1. Depository Name & Location MERRILL LYNCH 39511 Woodward Bloomfield Hills 48304
2. Account Number TTL-00081

~~GENERAL~~ Payroll Account:

1. Depository Name & Location CITIZENS STATE BANK 39500 Woodward Royal Oak 48073
2. Account Number 520300

Tax Account:

1. Depository Name & Location CITIZENS STATE BANK 39500 Woodward Royal Oak 48073
2. Account Number 520300

Other monies on hand (specify type and location) i.e., CD's, bonds, etc.):

None

Date:

03-19-21

Debtor in Possession

Form 5

MONTHLY STATEMENT OF INSIDER COMPENSATION/PAYMENTS

Period Ending: FEBRUARY 29, 2024

Case No: 23-49817-mar

The following information is to be provided for each shareholder, officer, director, manager, insider, or owner that is employed by the debtor in possession. (Attach additional pages if necessary.)

Name: AAA PARAKTIAN Capacity: ☒ Shareholder
☐ Officer
☐ Director
☐ Insider

Detailed Description of Duties: OWNS AND MANAGES RESIDENTS FIRST

Current Compensation Paid: Weekly _____ or Monthly 8,931.50

Current Benefits Paid: Weekly _____ or Monthly _____

Health Insurance	_____	<u>1,281.10</u>
Life Insurance	_____	_____
Retirement	_____	<u>2,318.00</u>
Company Vehicle	_____	_____
Entertainment	_____	_____
Travel	_____	_____
Other Benefits	_____	_____
Total Benefits	_____	_____

Current Other Payments Paid: Weekly _____ or Monthly _____

Rent Paid	_____	_____
Loans	_____	_____
Other (Describe)	_____	_____
Other (Describe)	_____	_____
Other (Describe)	_____	_____
Total Other Payments	_____	_____

CURRENT TOTAL OF ALL PAYMENTS: Weekly _____ or Monthly 10,549.60

Dated: 03-19-24
[Signature]
Principal, Officer, Director, or Insider

February 2024

Principal, Officer, Director or Insider

SCHEDULE OF IN-FORCE INSURANCE

Period Ending: FEBRUARY 29, 2024

Case No: 23-49817-mar

INSURANCE TYPE

CARRIER

EXPIRATION DATE

Workers' Compensation

CREATIVE BENEFITS

06-01-24

General Business Policy

CREATIVE BENEFITS

06-01-24

Form 7

Residents First						
Account Balance - Merrill						
Date	Beginning Balance	Deposit / Transfer	Disbursement	Ending Balance		Description
02/01/24	609.35			609.35		
02/05/24	609.35		1,074.18	-464.83		401K Withdrawal
02/05/24	-464.83	492.25		27.42		Transfer from Keego Harbor
02/09/24	27.42	501.00		528.42		Transfer from Keego Harbor
02/09/24	528.42		501.00	27.42		Workmans' Comp. Insurance
02/09/24	27.42		27.42	0.00		Transfer to Citizens State Bank
02/12/24	0.00	108.03		108.03		Transfer from Crystal Downs
02/12/24	108.03		108.03	0.00		ADP Fees
02/15/24	0.00	235.00		235.00		Transfer from Crystal Downs
02/16/24	235.00		235.00	0.00		Check to City of Birmingham
		1,336.28	1,945.63			

Residents First						
Account Balance - Citizens State						
Date	Beginning Balance	Deposit / Transfer	Disbursement	Ending Balance		Description
02/01/24	100.00			100.00		
02/13/24	100.00	40,000.00		40,100.00		Deposit from Kingsbrook for Payroll (Kingsbrook, Tallmadge, Twin Pines)
02/14/24	40,100.00		1,825.89	38,274.11		Payroll Garnishment
02/14/24	38,274.11		7,991.71	30,282.40		Payroll Taxes
02/14/24	30,282.40		28,630.22	1,652.18		Payroll
02/16/24	1,652.18	1,005.09		2,657.27		Transfer from Twin Pines
02/16/24	2,657.27		17.90	2,639.37		ADP Fees
02/16/24	2,639.37		233.79	2,405.58		Payroll Taxes
02/16/24	2,405.58		771.30	1,634.28		Payroll
02/20/24	1,634.28		820.82	813.46		401K Withdrawal
02/21/24	813.46	524.76		1,338.22		Transfer from Twin Pines
02/21/24	1,338.22	757.99		2,096.21		Transfer from Crystal Downs
02/21/24	2,096.21	794.43		2,890.64		Transfer from Tallmadge Meadows
02/21/24	2,890.64	927.47		3,818.11		Transfer from Keego Harbor
02/21/24	3,818.11	1,505.89		5,324.00		Transfer from Kristana Estates
02/21/24	5,324.00	3,532.37		8,856.37		Transfer from Kingsbrook Estates
02/23/24	8,856.37		62.95	8,793.42		ADP Fees
02/23/24	8,793.42		194.47	8,598.95		ADP Fees
02/26/24	8,598.95		8,042.91	556.04		Blue Cross Blue Shield
02/28/24	556.04	40,247.86		40,803.90		Deposits from Communities (Payroll)
02/28/24	40,803.90		1,825.89	38,978.01		Payroll Garnishment
02/28/24	38,978.01		8,704.18	30,273.83		Payroll Taxes
02/28/24	30,273.83		28,757.11	1,516.72		Payroll
02/29/24	1,516.72	27.42		1,544.14		Deposit from Close of Merrill Lynch
		89,323.28	87,879.14			



CITIZENS STATE BANK

Statement Ending 02/29/2024

Page 1 of 4

32500 Woodward Ave. • Royal Oak, MI 48073

RETURN SERVICE REQUESTED

X [REDACTED]

00069007
0312

RESIDENTS FIRST LLC
DEBTOR IN POSSESSION-TAX ACCOUNT
23-49817-MAR
217 PIERCE ST STE 209
BIRMINGHAM MI 48009-6048



Managing Your Accounts

	Bank Name	Royal Oak
	Mailing Address	32500 Woodward Ave Royal Oak, MI 48073
	Phone Number	248-833-6160
	Online Access	www.micsb.com



Unlock your Retirement Dreams.

Are you ready to secure your financial future? Look no further than our High-Yield IRA Account, offering an impressive 5% interest rate! It's time to supercharge your retirement savings and watch your money grow.

* Rates effective as of 1/8/2024. Rates are subject to change at any time without prior notice. Interest is calculated using the average daily balance method and compounds monthly. Citizens State Bank does not provide tax or legal advice. Please consult with your tax and legal advisors regarding your specific situation.



Summary of Accounts

Account Type	Account Number	Ending Balance
Basic Business Checking	XXX0292	\$100.00

Basic Business Checking-XXX0292

Account Summary

Date	Description	Amount	Description	Amount
02/01/2024	Beginning Balance	\$100.00	Minimum Balance	\$100.00
	0 Credit(s) This Period	\$0.00		
	0 Debit(s) This Period	\$0.00		
02/29/2024	Ending Balance	\$100.00		

Account Activity

Post Date	Description	Debits	Credits	Balance
02/01/2024	Beginning Balance			\$100.00
	No activity this statement period			
02/29/2024	Ending Balance			\$100.00



Basic Business Checking-XXX0292 (continued)**Overdraft and Returned Item Fees**

	Total for this period	Total year-to-date	Previous year-to-date
Total Overdraft Fees	\$0.00	\$0.00	\$0.00
Total Returned Item Fees	\$0.00	\$0.00	\$0.00





CITIZENS STATE BANK

32500 Woodward Ave. • Royal Oak, MI 48073

RETURN SERVICE REQUESTED

RESIDENTS FIRST LLC
DEBTOR IN POSSESSION -GENERAL ACCOUNT
23-49817-MAR
217 PIERCE ST STE 209
BIRMINGHAM MI 48009-6048

Statement Ending 02/29/2024

Page 1 of 4

Managing Your Accounts

	Bank Name	Royal Oak
	Mailing Address	32500 Woodward Ave Royal Oak, MI 48073
	Phone Number	248-833-6160
	Online Access	www.micsb.com

Unlock your Retirement Dreams.

Are you ready to secure your financial future? Look no further than our High-Yield IRA Account, offering an impressive 5% interest rate! It's time to supercharge your retirement savings and watch your money grow.

* Rates effective as of 1/8/2024. Rates are subject to change at any time without prior notice. Interest is calculated using the average daily balance method and compounds monthly. Citizens State Bank does not provide tax or legal advice. Please consult with your tax and legal advisors regarding your specific situation.



Summary of Accounts

Account Type	Account Number	Ending Balance
Basic Business Checking	XXX0300	\$1,544.14

Basic Business Checking-XXX0300

Account Summary

Date	Description	Amount	Description	Amount
02/01/2024	Beginning Balance	\$100.00	Minimum Balance	\$100.00
	10 Credit(s) This Period	\$89,323.28		
	13 Debit(s) This Period	\$87,879.14		
02/29/2024	Ending Balance	\$1,544.14		

Account Activity

Post Date	Description	Debits	Credits	Balance
02/01/2024	Beginning Balance			\$100.00
02/13/2024	Deposit		\$40,000.00	\$40,100.00
02/14/2024	ACH Payment ADP WAGE GARN WAGE GARN	\$1,825.89		\$38,274.11



Basic Business Checking-XXX0300 (continued)**Account Activity (continued)**

Post Date	Description	Debits	Credits	Balance
02/14/2024	ACH Payment ADP Tax ADP Tax	\$7,991.71		\$30,282.40
02/14/2024	ACH Payment ADP WAGE PAY WAGE PAY	\$28,630.22		\$1,652.18
02/16/2024	Remote Deposit		\$1,005.09	\$2,657.27
02/16/2024	ACH Payment ADP PAYROLL FEES ADP FEES	\$17.90		\$2,639.37
02/16/2024	ACH Payment ADP Tax ADP Tax	\$233.79		\$2,405.58
02/16/2024	ACH Payment ADP WAGE PAY WAGE PAY	\$771.30		\$1,634.28
02/20/2024	ACH Payment ADP 401k ADP 401k	\$820.82		\$813.46
02/21/2024	Remote Deposit		\$524.76	\$1,338.22
02/21/2024	Remote Deposit		\$757.99	\$2,096.21
02/21/2024	Remote Deposit		\$794.43	\$2,890.64
02/21/2024	Remote Deposit		\$927.47	\$3,818.11
02/21/2024	Remote Deposit		\$1,505.89	\$5,324.00
02/21/2024	Remote Deposit		\$3,532.37	\$8,856.37
02/23/2024	ACH Payment ADP PAYROLL FEES ADP FEES	\$62.95		\$8,793.42
02/23/2024	ACH Payment ADP PAYROLL FEES ADP FEES	\$194.47		\$8,598.95
02/26/2024	ACH Payment BCBS Michigan PREMIUM	\$8,042.91		\$556.04
02/28/2024	Deposit		\$40,247.86	\$40,803.90
02/28/2024	ACH Payment ADP WAGE GARN WAGE GARN	\$1,825.89		\$38,978.01
02/28/2024	ACH Payment ADP Tax ADP Tax	\$8,704.18		\$30,273.83
02/28/2024	ACH Payment ADP WAGE PAY WAGE PAY	\$28,757.11		\$1,516.72
02/29/2024	Remote Deposit		\$27.42	\$1,544.14
02/29/2024	Ending Balance			\$1,544.14

Overdraft and Returned Item Fees

	Total for this period	Total year-to-date	Previous year-to-date
Total Overdraft Fees	\$0.00	\$0.00	\$0.00
Total Returned Item Fees	\$0.00	\$0.00	\$0.00

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